

United States Courts
Southern District of Texas
FILED

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON

FEB - 1 2023

Nathan Ochser, Clerk of Court

In Re. American Property Acquisitions I, LLC

Case No. 22-90349

§
§
§
§

Lead Case No. 22-90341

Debtor(s)

☒ Jointly Administered

Monthly Operating Report

Chapter 11

Reporting Period Ended: 12/31/2022

Petition Date: 12/21/2022

Months Pending: 0

Industry Classification:

3	3	4	1
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Reporting Method: Accrual Basis ☒

Cash Basis ☐

Debtor's Full-Time Employees (current):

0

Debtor's Full-Time Employees (as of date of order for relief):

0

Supporting Documentation (check all that are attached):

(For jointly administered debtors, any required schedules must be provided on a non-consolidated basis for each debtor)

- ☒ Statement of cash receipts and disbursements
- ☒ Balance sheet containing the summary and detail of the assets, liabilities and equity (net worth) or deficit
- ☒ Statement of operations (profit or loss statement)
- ☐ Accounts receivable aging
- ☐ Postpetition liabilities aging
- ☐ Statement of capital assets
- ☐ Schedule of payments to professionals
- ☐ Schedule of payments to insiders
- ☐ All bank statements and bank reconciliations for the reporting period
- ☐ Description of the assets sold or transferred and the terms of the sale or transfer

/s/ Alfredo R. Pérez

Signature of Responsible Party

01/31/2023

Date

Alfredo R. Pérez

Printed Name of Responsible Party

700 Louisiana Street, Suite 1700, Houston, Texas 77002
Address

STATEMENT: This Periodic Report is associated with an open bankruptcy case; therefore, Paperwork Reduction Act exemption 5 C.F.R. § 1320.4(a)(2) applies.

Debtor's Name American Property Acquisitions I, LLC

Case No. 22-90349

Part 1: Cash Receipts and Disbursements**Current Month****Cumulative**

a. Cash balance beginning of month	\$0	
b. Total receipts (net of transfers between accounts)	\$0	\$0
c. Total disbursements (net of transfers between accounts)	\$0	\$0
d. Cash balance end of month (a+b-c)	\$0	
e. Disbursements made by third party for the benefit of the estate	\$0	\$0
f. Total disbursements for quarterly fee calculation (c+e)	\$0	\$0

Part 2: Asset and Liability Status**Current Month**

(Not generally applicable to Individual Debtors. See Instructions.)

a. Accounts receivable (total net of allowance)	\$0
b. Accounts receivable over 90 days outstanding (net of allowance)	\$0
c. Inventory (Book <input checked="" type="radio"/> Market <input type="radio"/> Other <input type="radio"/> (attach explanation))	\$0
d. Total current assets	\$0
e. Total assets	\$0
f. Postpetition payables (excluding taxes)	\$0
g. Postpetition payables past due (excluding taxes)	\$0
h. Postpetition taxes payable	\$0
i. Postpetition taxes past due	\$0
j. Total postpetition debt (f+h)	\$0
k. Prepetition secured debt	\$0
l. Prepetition priority debt	\$0
m. Prepetition unsecured debt	\$0
n. Total liabilities (debt) (j+k+l+m)	\$0
o. Ending equity/net worth (e-n)	\$0

Part 3: Assets Sold or Transferred**Current Month****Cumulative**

a. Total cash sales price for assets sold/transferred outside the ordinary course of business	\$0	\$0
b. Total payments to third parties incident to assets being sold/transferred outside the ordinary course of business	\$0	\$0
c. Net cash proceeds from assets sold/transferred outside the ordinary course of business (a-b)	\$0	\$0

Part 4: Income Statement (Statement of Operations)**Current Month****Cumulative**

(Not generally applicable to Individual Debtors. See Instructions.)

a. Gross income/sales (net of returns and allowances)	\$0	
b. Cost of goods sold (inclusive of depreciation, if applicable)	\$0	
c. Gross profit (a-b)	\$0	
d. Selling expenses	\$0	
e. General and administrative expenses	\$0	
f. Other expenses	\$0	
g. Depreciation and/or amortization (not included in 4b)	\$0	
h. Interest	\$0	
i. Taxes (local, state, and federal)	\$0	
j. Reorganization items	\$0	
k. Profit (loss)	\$0	\$0

Debtor's Name American Property Acquisitions I, LLC

Case No. 22-90349

Part 5: Professional Fees and Expenses

			Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative
a.	Debtor's professional fees & expenses (bankruptcy) <i>Aggregate Total</i>					
	<i>Itemized Breakdown by Firm</i>					
	Firm Name	Role				
i	N/A					
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Debtor's Name American Property Acquisitions I, LLC

Case No. 22-90349

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Debtor's Name American Property Acquisitions I, LLC

Case No. 22-90349

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b.			Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative
	Debtor's professional fees & expenses (nonbankruptcy) <i>Aggregate Total</i>					
	<i>Itemized Breakdown by Firm</i>					
	Firm Name	Role				
i	N/A					
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Debtor's Name American Property Acquisitions I, LLC

Case No. 22-90349

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Debtor's Name American Property Acquisitions I, LLC

Case No. 22-90349

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Debtor's Name American Property Acquisitions I, LLC

Case No. 22-90349

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	c						
c.	All professional fees and expenses (debtor & committees)			\$0	\$0	\$0	\$0

Part 6: Postpetition Taxes

Current Month

Cumulative

a.	Postpetition income taxes accrued (local, state, and federal)	\$0	\$0
b.	Postpetition income taxes paid (local, state, and federal)	\$0	\$0
c.	Postpetition employer payroll taxes accrued	\$0	\$0
d.	Postpetition employer payroll taxes paid	\$0	\$0
e.	Postpetition property taxes paid	\$0	\$0
f.	Postpetition other taxes accrued (local, state, and federal)	\$0	\$0
g.	Postpetition other taxes paid (local, state, and federal)	\$0	\$0

Part 7: Questionnaire - During this reporting period:

- a. Were any payments made on prepetition debt? (if yes, see Instructions) Yes ☐ No ☒
- b. Were any payments made outside the ordinary course of business without court approval? (if yes, see Instructions) Yes ☐ No ☒
- c. Were any payments made to or on behalf of insiders? Yes ☐ No ☒
- d. Are you current on postpetition tax return filings? Yes ☒ No ☐
- e. Are you current on postpetition estimated tax payments? Yes ☒ No ☐
- f. Were all trust fund taxes remitted on a current basis? Yes ☒ No ☐
- g. Was there any postpetition borrowing, other than trade credit? (if yes, see Instructions) Yes ☐ No ☒
- h. Were all payments made to or on behalf of professionals approved by the court? Yes ☐ No ☐ N/A ☒
- i. Do you have:
- Worker's compensation insurance? Yes ☒ No ☐
- If yes, are your premiums current? Yes ☒ No ☐ N/A ☐ (if no, see Instructions)
- Casualty/property insurance? Yes ☒ No ☐
- If yes, are your premiums current? Yes ☒ No ☐ N/A ☐ (if no, see Instructions)
- General liability insurance? Yes ☒ No ☐
- If yes, are your premiums current? Yes ☒ No ☐ N/A ☐ (if no, see Instructions)
- j. Has a plan of reorganization been filed with the court? Yes ☐ No ☒
- k. Has a disclosure statement been filed with the court? Yes ☐ No ☒
- l. Are you current with quarterly U.S. Trustee fees as set forth under 28 U.S.C. § 1930? Yes ☒ No ☐

Debtor's Name **American Property Acquisitions I, LLC**Case No. **22-90349****Part 8: Individual Chapter 11 Debtors (Only)**

- | | |
|--|---|
| a. Gross income (receipts) from salary and wages | \$0 |
| b. Gross income (receipts) from self-employment | \$0 |
| c. Gross income from all other sources | \$0 |
| d. Total income in the reporting period (a+b+c) | \$0 |
| e. Payroll deductions | \$0 |
| f. Self-employment related expenses | \$0 |
| g. Living expenses | \$0 |
| h. All other expenses | \$0 |
| i. Total expenses in the reporting period (e+f+g+h) | \$0 |
| j. Difference between total income and total expenses (d-i) | \$0 |
| k. List the total amount of all postpetition debts that are past due | \$0 |
| l. Are you required to pay any Domestic Support Obligations as defined by 11 U.S.C § 101(14A)? | |
| | Yes <input type="radio"/> No <input checked="" type="radio"/> |
| m. If yes, have you made all Domestic Support Obligation payments? | |
| | Yes <input type="radio"/> No <input type="radio"/> N/A <input checked="" type="radio"/> |

Privacy Act Statement

28 U.S.C. § 589b authorizes the collection of this information, and provision of this information is mandatory under 11 U.S.C. §§ 704, 1106, and 1107. The United States Trustee will use this information to calculate statutory fee assessments under 28 U.S.C. § 1930(a)(6). The United States Trustee will also use this information to evaluate a chapter 11 debtor's progress through the bankruptcy system, including the likelihood of a plan of reorganization being confirmed and whether the case is being prosecuted in good faith. This information may be disclosed to a bankruptcy trustee or examiner when the information is needed to perform the trustee's or examiner's duties or to the appropriate federal, state, local, regulatory, tribal, or foreign law enforcement agency when the information indicates a violation or potential violation of law. Other disclosures may be made for routine purposes. For a discussion of the types of routine disclosures that may be made, you may consult the Executive Office for United States Trustee's systems of records notice, UST-001, "Bankruptcy Case Files and Associated Records." See 71 Fed. Reg. 59,818 et seq. (Oct. 11, 2006). A copy of the notice may be obtained at the following link: http://www.justice.gov/ust/eo/rules_regulations/index.htm. Failure to provide this information could result in the dismissal or conversion of your bankruptcy case or other action by the United States Trustee. 11 U.S.C. § 1112(b)(4)(F).

I declare under penalty of perjury that the foregoing Monthly Operating Report and its supporting documentation are true and correct and that I have been authorized to sign this report on behalf of the estate.

/s/ Michael Bros

Signature of Responsible Party

SVP, Capital Markets and Acquisitions

Title

Michael Bros

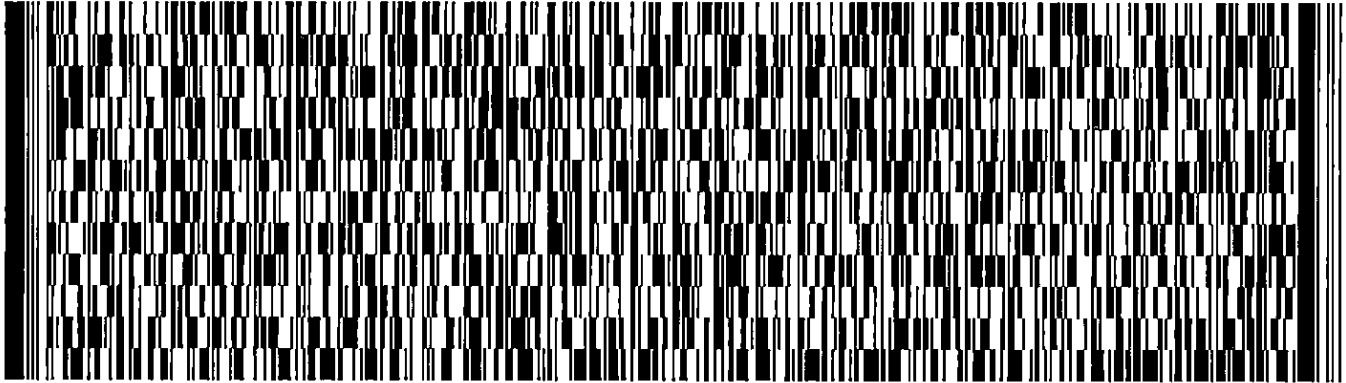
Printed Name of Responsible Party

01/31/2023

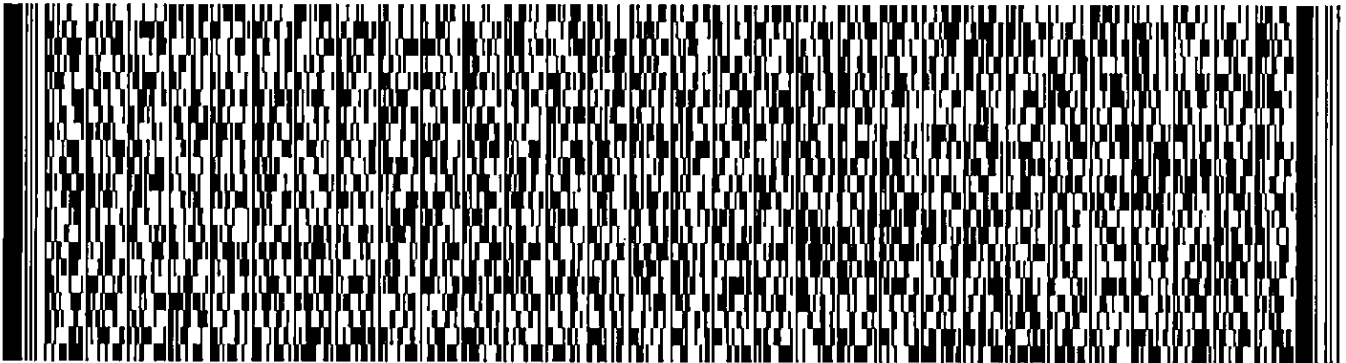
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Debtor's Name American Property Acquisitions I, LLC

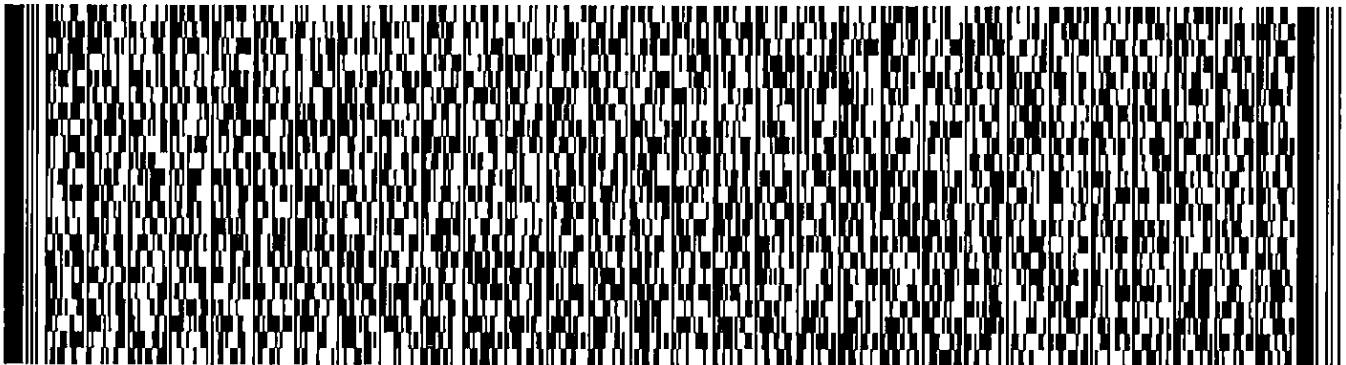
Case No. 22-90349



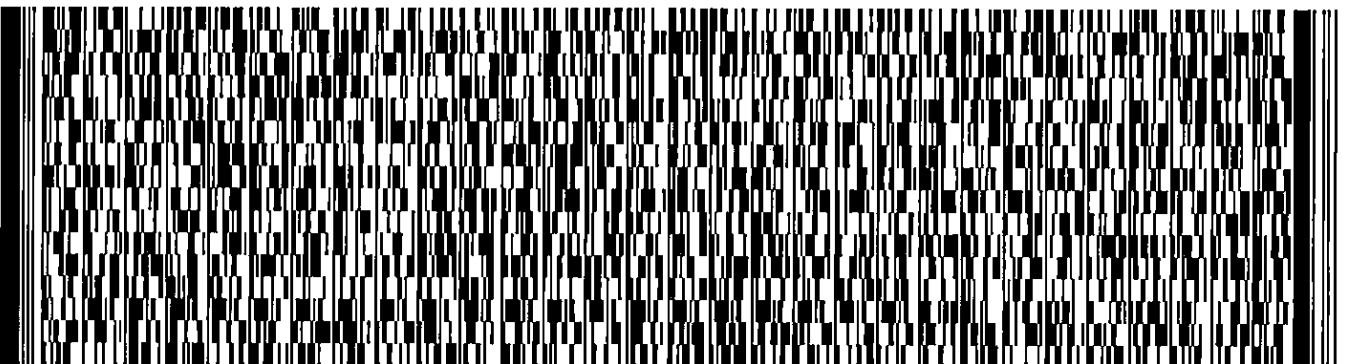
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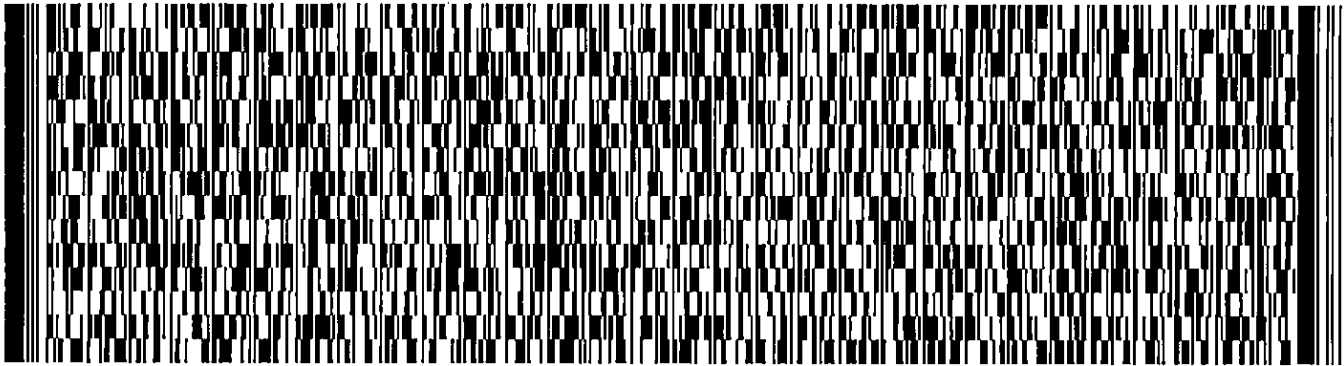
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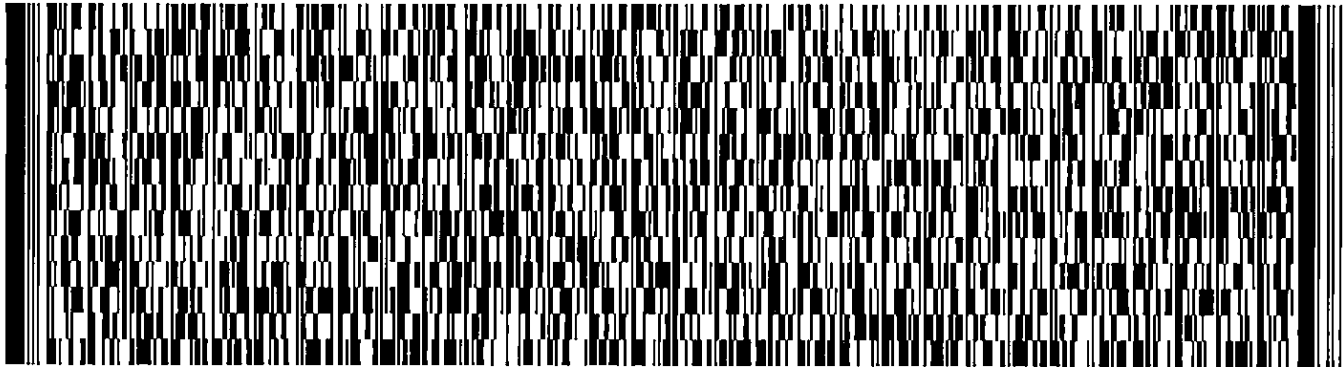
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Debtor's Name American Property Acquisitions I, LLC

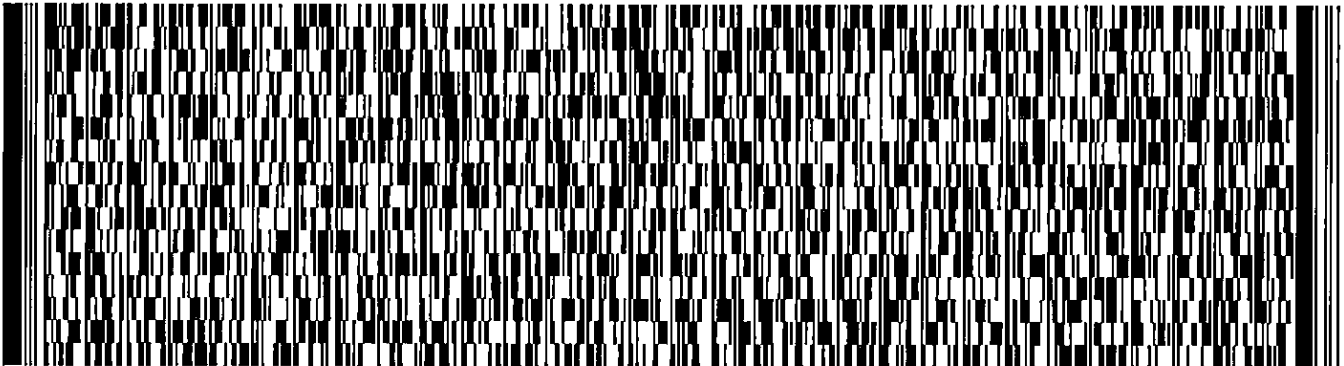
Case No. 22-90349



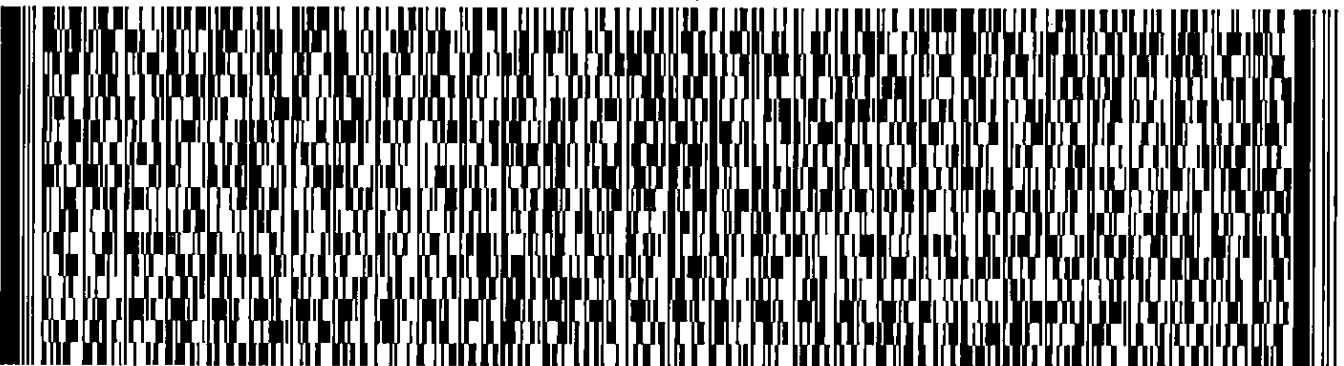
Bankruptcy1to50



Bankruptcy51to100



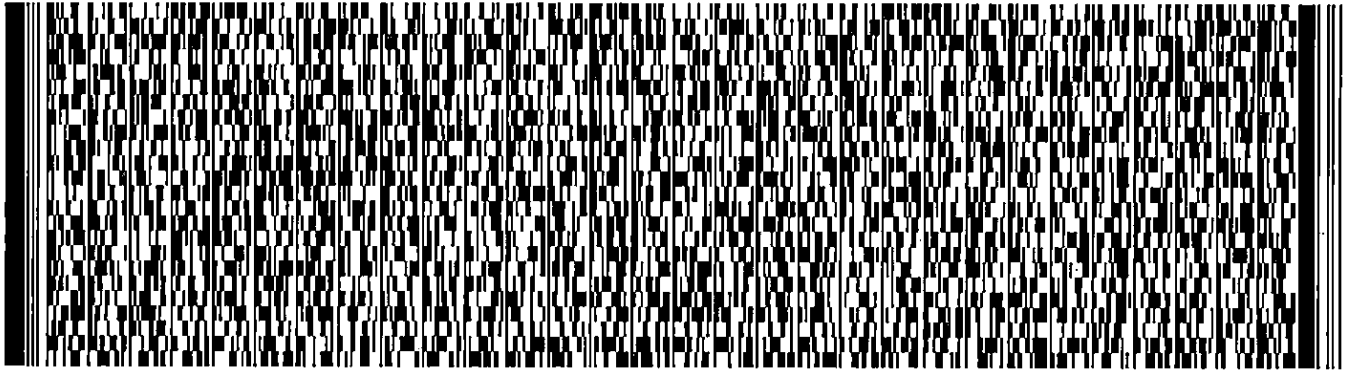
NonBankruptcy1to50



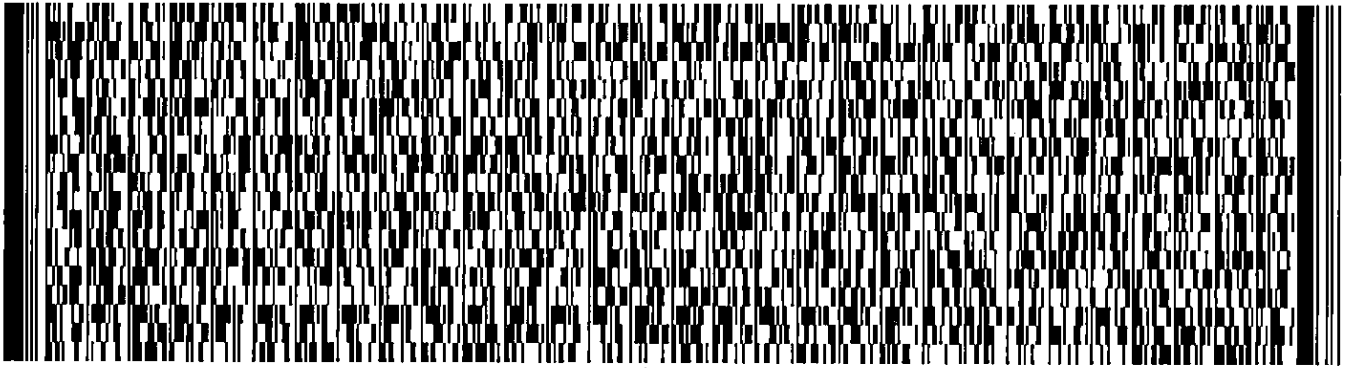
NonBankruptcy51to100

Debtor's Name American Property Acquisitions I, LLC

Case No. 22-90349



PageThree



PageFour

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:	§	Chapter 11
	§	
CORE SCIENTIFIC, INC., <i>et al.</i> ,	§	Case No. 22-90341 (DRJ)
	§	
Debtors. ¹	§	(Jointly Administered)

MONTHLY OPERATING REPORT NOTES FOR DECEMBER 2022

On December 21, 2022 (the “**Petition Date**”), Core Scientific, Inc. and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the “**Debtors**” or the “**Company**”), each commenced a voluntary case under chapter 11 of title 11 of the United States Code (the “**Bankruptcy Code**”) in the United States Bankruptcy Court for the Southern District of Texas (the “**Bankruptcy Court**”). The Debtors are authorized to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. The Debtors’ chapter 11 cases are being jointly administered for procedural purposes only pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”) and Rule 1015-1 of the Bankruptcy Local Rules for the United States Bankruptcy Court for the Southern District of Texas (the “**Local Rules**”). On January 9, 2023, the United States Trustee for Region 7 (the “**U.S. Trustee**”) appointed an official committee of unsecured creditors (the “**Creditors’ Committee**”) in these chapter 11 cases pursuant to section 1102 of the Bankruptcy Code. No trustee or examiner has been appointed in these chapter 11 cases.

The following notes and statements of limitations and disclaimers should be referred to, and referenced in connection with, any review of this Monthly Operating Report (the “**MOR**”).

1. **Introduction.** This MOR is unaudited and does not purport to represent financial statements prepared in accordance with accounting principles generally accepted in the United States (“**GAAP**”), and it is not intended to fully reconcile to the consolidated financial statements prepared by the Debtors. Information contained in this MOR has been derived from the Debtors’ books and records, but does not reflect in all circumstances presentation for GAAP or SEC reporting purposes. Therefore, to comply with their obligations to provide MORs during these chapter 11 cases, the Debtors have prepared this MOR using the best information presently available to them, which has been collected, maintained, and prepared in accordance

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are as follows: Core Scientific Mining LLC (6971); Core Scientific, Inc. (3837); Core Scientific Acquired Mining LLC (N/A); Core Scientific Operating Company (5526); Radar Relay, Inc. (0496); Core Scientific Specialty Mining (Oklahoma) LLC (4327); American Property Acquisition, LLC (0825); Starboard Capital LLC (6677); RADAR LLC (5106); American Property Acquisitions I, LLC (9717); and American Property Acquisitions, VII, LLC (3198). The Debtors’ corporate headquarters and service address is 210 Barton Springs Road, Suite 300, Austin, Texas 78704.

with their historical accounting practices. Accordingly, this MOR is true and accurate to the best of the Debtors' knowledge, information, and belief, based on currently-available data. The results of operations and financial position contained herein are not necessarily indicative of results that may be expected for any period other than the period beginning on December 21, 2022 and ending December 31, 2022, or for the full year, and may not necessarily reflect the Debtors' future consolidated results of operations and financial position.

2. **Reservation of Rights.** This MOR is limited in scope, covers the period beginning on December 21, 2022 and ending December 31, 2022, and has been prepared solely for the purpose of complying with the monthly reporting requirements of the Debtors' chapter 11 cases. The unaudited financial information has been derived from the Debtors' books and records. The information presented herein has not been subject to all procedures that typically would be applied to financial information in accordance with U.S. GAAP. Upon the application of such procedures, the Debtors believe that the financial information could be subject to material change. The information furnished in this MOR includes normal recurring adjustments but does not include all of the adjustments that typically would be made for interim financial information presented in accordance with GAAP.

Given the complexity of the Debtors' business, inadvertent errors or omission may occur. Accordingly, the Debtors hereby reserve all of their rights to dispute the nature, validity, status, enforceability, or executory natures of any claim amount, agreement, representation, or other statement set forth in this MOR. Further, the Debtors reserve the right to amend or supplement this MOR, if necessary, but shall be under no obligation to do so.

3. **Basis of Presentation.** Although the Debtors generally prepare their financial statements on a consolidated basis, the MOR has been prepared on an entity-by-entity basis (excluding most intercompany eliminations) for Debtors Core Scientific, Inc., Core Scientific Acquired Mining LLC, Core Scientific Operating Company, Core Scientific Mining LLC, Radar Relay, Inc., Core Scientific Specialty Mining (Oklahoma) LLC, American Property Acquisition, LLC, Starboard Capital LLC, RADAR LLC, American Property Acquisitions I, LLC, and American Property Acquisitions VII, LLC. The financial information contained herein is unaudited, limited in scope, covers a limited time period, and has been prepared solely for the purpose of complying with the monthly reporting requirements for chapter 11 debtors issued by the UST.

The amounts reported in this MOR are as-of December 31, 2022, the end of the Debtors' reporting period. This MOR covers the period beginning December 21, 2022 and ending December 31, 2022.

4. **Accounting Principles.** The Debtors maintain their financial records according to GAAP, however the MOR does not purport to represent financial statements prepared in accordance with GAAP, nor are they intended to be fully reconciled with the financial statements of the Debtors.

The Debtors generally prepare financial statements on a consolidated basis. To the extent that there are negative asset balances for an individual Debtor, such as

accounts receivable and current assets, they may be due to some intercompany elimination transactions or adjustments in each specific Debtor's books and records. For example, on a consolidated basis, the accounts receivable balance is \$257k at December month end, current assets are \$100m, and total assets are \$1.4b.

Not all of the annual tax entries for 2022 have been completed by the time this report was due to be filed. To the extent that there are negative liability balances for an individual Debtor, such as prepetition unsecured liabilities, they are expected to be resolved once all of the relevant tax entries and adjustments have been analyzed and completed.

On December 22, 2022, the Bankruptcy Court approved Debtors' *Emergency Motion of Debtors for Entry of Interim and Final Orders (A) Authorizing the Debtors to Obtain Postpetition Financing, (B) Authorizing the Debtors to Use Cash Collateral, (C) Granting Liens and Providing Claims with Superpriority Administrative Expense Status, (D) Granting Adequate Protection to the Prepetition Secured Parties, (E) Modifying the Automatic Stay, (F) Scheduling a Final Hearing, and (G) Granting Related Relief* (Docket No. 38) (the "**DIP Motion**") on an interim basis subject to a submission of a revised form of order. As a result, debtor's cash position reflects the receipt of \$35.5 million in proceeds under the debtor in possession credit facility authorized by the interim order granting the DIP Motion (the "**DIP Facility**") during the month of December.

5. **Currency.** Unless otherwise indicated, all amounts in the MOR are reflected in U.S. dollars.
6. **Consolidated Entity Accounts Payable and Disbursement Systems.** Cash is received and disbursed by the Debtors as described in the *Emergency Motion of Debtors for Entry of Interim and Final Orders (I) Authorizing Debtors to (A) Continue their Existing Cash Management System, (B) Maintain Existing Business Forms and Intercompany Arrangements, (C) Continue Intercompany Transactions, and (D) Continue Utilizing Employee Credit Cards; and (II) Granting Related Relief* (Docket No. 12) (the "**Cash Management Motion**") and the Debtors' receipt and disbursement of cash is consistent with the Debtors' historical cash management practices. Due to the consolidated cash management reporting system, certain cash payments may be paid out of a legal entity that is different than the legal entity at which the expenses were incurred. Also, certain cash receipts may be received in a different legal entity than the legal entity at which the accounts receivable is recorded. Disbursements attributed to each entity represent the entity on behalf of which payments were made, on a proportional allocated basis, from the consolidated cash management system.
7. **Supporting Documentation.** At the direction of the U.S. Trustee, the following schedules are attached to the MORs: (i) Statement of Cash Receipts and Disbursements; (ii) Balance Sheet; and (iii) Income Statement (profit or loss statement).

Statement of Cash Receipts and Disbursements. Based on guidance received from the Office of the United States Trustee in connection with the completion of UST Form 11-MOR Part 1, Cash Receipts and Disbursements, reported cash receipts and

disbursements should exclude intercompany and debtor-to-debtor transactions. As a result, for those debtors with net intercompany cash outflows or inflows during the reporting period, the ending cash balances reported on Form 11-MOR Part 1 may not match the ending cash balances per the Debtors' bank statements or the Debtors' books and records. For additional information on ending cash balances per the Debtors' books and records, see the attached listing of cash account balances per Schedule MOR-1a.

Balance Sheet. Liabilities Subject to Compromise ("LSTC"): LSTC represent the Debtors' estimate of prepetition claims to be resolved in connection with the chapter 11 cases. As a result of the chapter 11 filings, the payment of prepetition liabilities are subject to compromise or other treatment under a plan of reorganization. The determination of how such liabilities will ultimately be settled or treated cannot be made until the Court approves a chapter 11 plan of reorganization. Accordingly, the ultimate amount of such liabilities is not determinable at this time. Prepetition liabilities that are subject to compromise under ASC 852 are preliminary and may be subject to, among other things, future adjustments depending on Court actions, further developments with respect to disputed claims, determinations of the secured status of certain claims, the values of any collateral securing such claims, rejection of executory contracts, continued reconciliation or other events.

As noted, although the Debtors generally prepare financial statements on a consolidated basis, these MORs are prepared on an entity-by-entity basis. The Debtors maintain separate balance sheets in their books and records for the following entities: Core Scientific Acquired Mining LLC, Core Scientific, Inc., Core Scientific Operating Company, and Radar Relay, Inc. The Debtors, however, do not maintain separate balance sheets for the remaining Debtor entities. Consequently, the balance sheets included in the MOR for these Debtors reflect no balances.

Values in the balance sheet(s) attached hereto represent rounded numbers. Accordingly, subtotals may not agree to the summation of the rounded numbers presented.

Income Statement. For purposes of this MOR, presented for the period December 21, 2022 to December 31, 2022, the income statement is the pro-rata portion of the full month of December for each Debtor.

As noted, although the Debtors generally prepare financial statements on a consolidated basis, these MORs are prepared on an entity-by-entity basis. The Debtors maintain separate income statements in their books and records for the following entities: Core Scientific Acquired Mining LLC, Core Scientific, Inc., Core Scientific Operating Company, and Radar Relay, Inc. The Debtors, however, do not maintain separate income statements for the remaining Debtor entities. Consequently, the income statements included in the MOR for these Debtors reflect no income.

8. **Part 1, Cash Receipts and Disbursements.** Cumulative quarter-to-date for Q4 2022 receipts and disbursements are reported in the Cumulative figures in the MOR.

9. **Part 7 Questionnaire.** Pursuant to certain orders of the Bankruptcy Court entered in the Debtors' chapter 11 cases (the "**First Day Orders**"), the Debtors were authorized (but not directed) to pay, among other things, certain prepetition claims of their employees, taxing authorities, insurers, critical vendors, and certain other prepetition creditors. Amounts paid pursuant to the First Day Orders are monitored as to limits provided in the applicable orders of the Bankruptcy Court governing payment of such prepetition obligations, and this report is available to the U.S. Trustee as required.

The postpetition borrowing, other than trade credit, includes only borrowings made under the DIP Facility.

ANNEX-1: SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

[illegible]

MOR-2: End of Dec 2022 Balance Sheet

Principal Line (USD)	Core Scientific Acquired Holding (LLC)	Core Scientific, Inc.	Core Scientific Operating Company	Blackstone Holding (LLC)	Core Scientific Mining LLC	Core Scientific Specialty Mining (Holdings) LLC	Standard Capital LLC	SAORA LLC	American Property Acquisition (LLC)	American Property Acquisition (LLC)
ASSETS										
Cash and Equivalents	697,746	-	697,746	-	-	-	-	-	-	-
Restricted Cash	-	-	-	-	-	-	-	-	-	-
Total Cash	697,746	-	697,746	-	-	-	-	-	-	-
Accounts receivable, net of allowance	-	-	893,324	-	-	-	-	-	-	-
Prepaid expenses and other	-	-	234,179	-	-	-	-	-	-	-
Deposits for equipment	137,932,775	-	(468,597,345)	-	-	-	-	-	-	-
Digital currency assets	-	-	-	-	1,198,018	-	-	-	-	-
Prepaid expenses and other	72,497	-	651,064	-	-	-	-	-	-	-
Property, plant and equipment	21,215,396	-	46,178,365	-	-	-	-	-	-	-
Goodwill	(1,126,953,129)	-	(693,634,722)	-	-	-	-	-	-	-
Long-term debt, current portion	(968,013,716)	-	(1,137,004,379)	-	-	-	-	-	-	-
Long-term debt, net of current portion	70,460,085	-	1,172,367,079	-	-	-	-	-	-	-
Other noncurrent assets	-	-	(157,694,249)	-	-	-	-	-	-	-
Intangible assets, net	232,507,379	-	1,798,935	-	(88,528,130)	-	-	-	-	-
Total Assets	(655,877,272)	2,251,355,765	(20,940,776)	(84,341,113)	-	-	-	-	-	-
LIABILITIES, PREFERRED STOCK & EQUITY										
Accounts Payable	140,445,900	-	75,746,553	-	-	-	-	-	-	-
Accrued expenses and other	17,465,784	-	88,273,244	-	-	-	-	-	-	-
Deferred revenue	-	928,940	(21,394)	-	-	-	-	-	-	-
Derivative warrant liabilities	-	335,053	-	-	-	-	-	-	-	-
Operating lease liabilities, current portion	-	-	1,127,838	-	-	-	-	-	-	-
Operating lease liabilities, net of current portion	-	-	70,786,077	-	-	-	-	-	-	-
Long-term debt, current portion	-	-	1,008,694,692	-	-	-	-	-	-	-
Long-term debt, net of current portion	-	-	14,225,190	-	-	-	-	-	-	-
Total Current Liabilities	157,896,684	1,254,003	1,391,698,411	(13,314)	-	-	-	-	-	-
Operating lease liabilities, net of current portion	-	-	-	-	-	-	-	-	-	-
Long-term debt, net of current portion	-	-	(892,751,693)	-	-	-	-	-	-	-
Other noncurrent liabilities	-	-	(8,677,141)	-	-	-	-	-	-	-
Total Liabilities	157,896,684	1,254,003	1,391,698,411	(13,314)	-	-	-	-	-	-
Preferred stock	-	-	-	-	-	-	-	-	-	-
Common stock	-	-	-	-	-	-	-	-	-	-
Additional paid-in capital	(15,975,141)	37,478	-	-	-	-	-	-	-	-
Accumulated deficit	(84,306,684)	1,777,459,543	2,897,621	-	-	-	-	-	-	-
Other Comprehensive Income	-	(12,723,431)	(715,360,474)	-	-	-	-	-	-	-
Cumulative Translation Adjustment	46,983	74,742,411	-	-	-	-	-	-	-	-
Total Equity	(641,980,588)	1,997,350,762	(712,672,853)	(61,741,030)	-	-	-	-	-	-
Total Liabilities, Preferred Stock & Equity	(655,877,272)	2,251,355,765	(20,940,776)	(84,341,113)	-	-	-	-	-	-

Notes:

1 - The cash balances for Core Scientific, Inc. is being reported in Core Scientific Operating Company; corrections are pending the ongoing accounting process.

MOR-3: 12/31/2022 - 12/31/2022 Profit & Loss

12/31/2022 - 12/31/2022	Core Scientific, Inc.	Operating Company	Acquired Mining LLC	Core Scientific Mining LLC	Starboard Capital LLC	Specialty Mining (Malama) LLC	American Property Acquisition, LLC	Core Scientific Mining LLC	Starboard Capital LLC	Specialty Mining (Malama) LLC	American Property Acquisition, LLC
(US\$)											
Holding Revenue	-	4,504,115	-	-	-	-	-	-	-	-	-
Equipment Sales	-	-	-	-	-	-	-	-	-	-	-
Digital Asset Mining	-	8,665,703	807,994	-	-	-	-	-	-	-	-
Blockchain Technology (Network Services)	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	-	13,169,818	807,994	-	-	-	-	-	-	-	-
Cost of revenue	-	-	-	-	-	-	-	-	-	-	-
Power	-	8,851,814	-	-	-	-	-	-	-	-	-
Facilities Operations	-	1,321,667	(1,936)	-	-	-	-	-	-	-	-
Facilities Depreciation	-	1,239,846	-	-	-	-	-	-	-	-	-
Miner Depreciation	-	7,114,832	1,188,418	-	-	-	-	-	-	-	-
Equipment Sales	-	-	-	-	-	-	-	-	-	-	-
Total Cost of Revenue	-	19,528,160	1,186,482	-	-	-	-	-	-	-	-
Gross Profit	-	(5,358,341)	(378,487)	-	-	-	-	-	-	-	-
Operating Expenses	-	(20,987)	(1,948)	(21,427)	-	-	-	-	-	-	-
Gain on sale of digital currency assets	-	5,138	411	-	-	-	-	-	-	-	-
Impairment of digital currency assets	-	(15,842)	-	-	-	-	-	-	-	-	-
Operating Expenses	-	(15,842)	-	-	-	-	-	-	-	-	-
Research and Development	-	47,390	-	2,306	-	-	-	-	-	-	-
Sales and Marketing	-	3,777,416	2,591	621	-	-	-	-	-	-	-
General and Administrative	-	6,761	655	-	-	-	-	-	-	-	-
Depreciation and Amortization	-	3,815,775	3,246	2,937	-	-	-	-	-	-	-
Operating Expenses excluding Stock-based Compensation	-	1,104,093	-	-	-	-	-	-	-	-	-
Stock Based Compensation	-	4,919,818	3,246	2,937	-	-	-	-	-	-	-
Total Operating Expenses	-	(10,304,284)	(384,092)	(24,354)	-	-	-	-	-	-	-
Operating Income	91,773	(1,761,177)	-	-	-	-	-	-	-	-	-
Total Non-Operating Income	91,773	(1,761,177)	-	-	-	-	-	-	-	-	-
Interest Expense, net	1,665,203	1,103,575	-	-	-	-	-	-	-	-	-
Fair value adjustments, Other	(1,573,430)	(2,364,753)	-	-	-	-	-	-	-	-	-
Net Income (Loss) Before Tax	91,773	(11,565,451)	(384,092)	(24,354)	-	-	-	-	-	-	-
Income Tax Expense (Benefit)	-	-	-	-	-	-	-	-	-	-	-
Net Income (Loss) after Tax	91,773	(11,565,451)	(384,092)	(24,354)	-	-	-	-	-	-	-